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Apr 3, 2000

DEPARTMENT OF LIVESTOCK



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STATE OF MONTANA

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STATE DOCUMENTS COLLECTION BEFORE THE BOARD OF MILK CONTROL
OF THE STATE OF MONTANA
ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

CLASS I PRICE FOR MILK TESTING 3.5% \$ 13.48 /CWT

EFFECTIVE MAY 1, 2000:

The minimum price to pay milk producers, under ARM 32.24.301, is \$ 13.48 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 10.2 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.02.

CLASS I BUTTERFAT PRICE PER POUND \$1.02 /LB

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5% \$11.51 /CWT

Average spray process dry milk solids

price per pound = \$1.01250
Multiplied by 8.2 x 8.2

\$8.30250

\$8.30250

PLUS +

Last quote of the month for Grade AA butter
minus a differential of \$.0895 = \$1.01800
Multiplied by 4.2 x 4.2

\$4.27560

+ \$4.27560

LESS a make allowance of 8.5% (\$12.5781 X .085)

\$12.57810

- \$1.06914

\$11.50896

Rounded to the nearest whole cent

\$11.51 /hundredweight.

CLASS II BUTTERFAT PRICE PER POUND **\$1.13 /LB**

Last quote of the month for Grade AA butter			=	\$0.11300
minus a differential of \$.0895	=	\$1.01800 X .111)	=	\$0.113
Rounded to the nearest half cent			=	\$0.113

CLASS II VALUE OF ONE POUND OF SKIM **\$0.07829 /LB**

Butterfat value per pound	\$1.13			
for milk at 3.5% test:				
Hundredweight price of milk testing 3.5%			=	\$11.51
LESS 3.5 pounds of butterfat at	\$1.13 per pound		-	<u>\$3.955</u>
Value of 96.5 pounds of skim			=	\$7.555
Value of one pound of skim	7.555 / 96.5 pounds)		=	\$0.07829 /LB

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND **\$0.92 /LB**

Last quote of the month for Grade AA butter			
minus a difference of \$.0895	=	\$1.01800	
LESS 10%		<u>\$0.10180</u>	

\$0.91620

Rounded to the nearest whole cent \$0.92 per pound.**CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED** **\$6.89108 /CWT**

Avg. spray process dry milk solid price/lb	\$1.01250	
Multiplied by 8.2	<u>8.2</u>	

\$8.30250

LESS 17% \$1.41143

\$6.89108

Rounded to the nearest whole cent \$6.89 per hundredweight.**CLASS III PRICE PER CWT FOR MILK TESTING 3.5%** **\$9.87 /CWT**

3.5 pounds of butterfat	\$0.92 per pound =	\$3.220
96.5 pounds of skim	\$0.06891 per pound =	<u>\$6.650</u>

\$9.870 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Marlys M. Mattfeldt
 Marlys M. Mattfeldt, Acting Bureau Chief
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON		CLASS II SKIM PRICE BASED ON		CLASS III SKIM PRICE BASED ON	
\$	13.48 FOR 3.5% MILK 96.5 LBS = \$9.910	\$11.51 FOR 3.5% MILK 96.5 LBS = \$7.555		\$9.87 FOR 3.5% MILK 96.5 LBS = \$6.650	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.10164	2.50	\$0.07749	2.50	\$0.06820
2.55	\$0.10169	2.55	\$0.07753	2.55	\$0.06824
2.60	\$0.10175	2.60	\$0.07757	2.60	\$0.06827
2.65	\$0.10180	2.65	\$0.07761	2.65	\$0.06831
2.70	\$0.10185	2.70	\$0.07765	2.70	\$0.06834
2.75	\$0.10190	2.75	\$0.07769	2.75	\$0.06838
2.80	\$0.10195	2.80	\$0.07773	2.80	\$0.06841
2.85	\$0.10201	2.85	\$0.07777	2.85	\$0.06845
2.90	\$0.10206	2.90	\$0.07781	2.90	\$0.06848
2.95	\$0.10211	2.95	\$0.07785	2.95	\$0.06852
3.00	\$0.10216	3.00	\$0.07789	3.00	\$0.06856
3.05	\$0.10222	3.05	\$0.07793	3.05	\$0.06859
3.10	\$0.10227	3.10	\$0.07797	3.10	\$0.06863
3.15	\$0.10232	3.15	\$0.07801	3.15	\$0.06866
3.20	\$0.10238	3.20	\$0.07805	3.20	\$0.06870
3.25	\$0.10243	3.25	\$0.07809	3.25	\$0.06873
3.30	\$0.10248	3.30	\$0.07813	3.30	\$0.06877
3.35	\$0.10253	3.35	\$0.07817	3.35	\$0.06880
3.40	\$0.10259	3.40	\$0.07821	3.40	\$0.06884
3.45	\$0.10264	3.45	\$0.07825	3.45	\$0.06888
3.50	\$0.10269	3.50	\$0.07829	3.50	\$0.06891
3.55	\$0.10275	3.55	\$0.07833	3.55	\$0.06895
3.60	\$0.10280	3.60	\$0.07837	3.60	\$0.06898
3.65	\$0.10285	3.65	\$0.07841	3.65	\$0.06902
3.70	\$0.10291	3.70	\$0.07845	3.70	\$0.06905
3.75	\$0.10296	3.75	\$0.07849	3.75	\$0.06909
3.80	\$0.10301	3.80	\$0.07853	3.80	\$0.06913
3.85	\$0.10307	3.85	\$0.07858	3.85	\$0.06916
3.90	\$0.10312	3.90	\$0.07862	3.90	\$0.06920
3.95	\$0.10318	3.95	\$0.07866	3.95	\$0.06923
4.00	\$0.10323	4.00	\$0.07870	4.00	\$0.06927
4.05	\$0.10328	4.05	\$0.07874	4.05	\$0.06931
4.10	\$0.10334	4.10	\$0.07878	4.10	\$0.06934
4.15	\$0.10339	4.15	\$0.07882	4.15	\$0.06938
4.20	\$0.10344	4.20	\$0.07886	4.20	\$0.06941
4.25	\$0.10350	4.25	\$0.07890	4.25	\$0.06945
4.30	\$0.10355	4.30	\$0.07894	4.30	\$0.06949
4.35	\$0.10361	4.35	\$0.07899	4.35	\$0.06952
4.40	\$0.10366	4.40	\$0.07903	4.40	\$0.06956
4.45	\$0.10372	4.45	\$0.07907	4.45	\$0.06960
4.50	\$0.10377	4.50	\$0.07911	4.50	\$0.06963

PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 1999 and 2000

Statistics from the Montana Milk Control Bureau

Month	1999	2000	Difference	% Change
January	\$19.39	\$12.34	(\$7.05)	-36.36%
February	\$19.89	\$13.45	(\$6.44)	-32.38%
March	\$18.82	\$13.26	(\$5.56)	-29.54%
April	\$12.82	\$13.39	\$0.57	4.45%
May	\$14.17	\$13.48	(\$0.69)	-4.87%
June	\$14.36			
July	\$13.81			
August	\$13.97			
September	\$16.14			
October	\$18.34			
November	\$18.81			
December	<u>\$14.04</u>			
Average	\$16.21	\$13.18	(\$3.83)	-19.74%

Prices are per hundredweight (CWT).

